

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF JULY 25, 1939

The Board of Public Works met in the offices of the State Treasurer, Annapolis, Maryland, on Tuesday, July 25, 1939, at twelve o'clock noon.

Present:

Herbert R. O'Connor, Governor
J. Millard Tawes, Comptroller
Hooper S. Miles, Treasurer

* * * * *

The Board proceeded to open proposals for the purchase of \$1,587,000 General Bond Issue of 1939, Issue of August 15, 1939, in accordance with advertisements appearing in the "Baltimore Sun" and the "Baltimore News-Post", of July 10, 14, 17 and 21, 1939, as follows:

*Award on
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STATE OF MARYLAND
TREASURY DEPARTMENT

\$1,587,000 "General Bond Issue of 1939"

Annapolis, Md.

Pursuant to Chapter 756 of the Acts of the General Assembly of Maryland, Session of 1939, providing for the issue of the Certificates of Indebtedness herein mentioned and described, and pursuant also to a resolution of the Board of Public Works of Maryland passed on the 7th day of June, 1939, and on file and open to inspection in the office of the said Board in Annapolis, Maryland, the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland as follows:

\$1,587,000 CERTIFICATES OF INDEBTEDNESS KNOWN AS
GENERAL BOND ISSUE OF 1939"

Said Certificates of Indebtedness will all be dated August 15, 1939. The bidders are requested to indicate in their bids the rate of interest to be paid on the bonds, on which rate their bids are to be based and submitted. The rate named must be a multiple of one-fourth of one per centum, the interest to be payable semi-annually on the 15th days of February and August, respectively, during the continuance of said loan, and all bids shall be based on an offering to pay not less than par for the bonds. The principal of said loan will be payable upon the Serial Annuity Plan, as more fully set forth in said Act of 1939, Chapter 756, as follows:

GENERAL BOND ISSUE OF 1939

<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$95,000.00	August 15, 1942
"B"	99,000.00	August 15, 1943
"C"	103,000.00	August 15, 1944
"D"	107,000.00	August 15, 1945
"E"	111,000.00	August 15, 1946
"F"	116,000.00	August 15, 1947
"G"	120,000.00	August 15, 1948
"H"	125,000.00	August 15, 1949
"I"	131,000.00	August 15, 1950
"J"	136,000.00	August 15, 1951
"K"	142,000.00	August 15, 1952
"L"	148,000.00	August 15, 1953
"M"	154,000.00	August 15, 1954

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

This loan and the interest payable thereon is exempt from the Federal income tax and from State, county and municipal taxation in the State of Maryland.

The said bids or proposals must be delivered to the Treasurer of the State, AT HIS OFFICE IN ANNAPOLIS, MD., before 12 o'clock noon on Tuesday,

JULY 25, 1939

Each bid must be for cash on delivery and must be enclosed in a sealed envelope addressed on the outside "Proposal for General Bond Issue of 1939". Each bid must be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland, for five per cent of the par value of

the amount bid for. All bids or proposals will be opened at 12 o'clock noon on Tuesday, July 25, 1939, in the presence of the undersigned.

On the opening of said proposals as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount for which proposals are invited, may be awarded by the Governor, The Comptroller of the Treasury and the Treasurer, or a majority of them to the highest responsible bidder or bidders therefor for cash, and if two or more responsible bidders have made the same bid and such bid is the highest and the certificates so bid for by such highest responsible bidders are in excess of the whole amount of certificates as offered for sale then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan as may produce the largest amount, and they may in their discretion accept bids which may be for parts of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders upon receipt of the amount of the successful bid or bids and any accrued interest due on TUESDAY, AUGUST 15, 1939, AT THE OFFICE OF THE STATE TREASURER, Annapolis, Maryland.

Bidders are referred to the said Chapter 756 of the Acts of the General Assembly of 1939, as containing the full terms and provisions of this loan.

It is one of the terms of this offering that the bonds when issued will be the legal and valid binding obligations of the State. The opinion of the Attorney General of Maryland and the opinion of Marbury, Gosnell & Williams to this effect will be delivered to the successful bidder. Bidders may, if they wish, make the legality and validity of the bonds one of the terms of the bid by making the bid "subject to legality" or using any equivalent form of expression, but without leaving this question to the decision of the bidders or their counsel. All bids conditioned upon the approval of bidders or counsel, whether named or unnamed, will be treated as conditional bids and rejected unless the condition is waived by the bidder to the satisfaction of the Board before the award has been made.

HERBERT R. O'CONOR,
Governor
J. MILLARD TAWES,
Comptroller of the Treasury
HOOVER S. MILES,
Treasurer

The bids received were as follows -

OWEN DALY & CO.
23 SOUTH STREET,
Baltimore

July 25, 1939

Hon. Hoover S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland

Dear Sir:

For all but no part of the following described legally issued, properly executed, general obligations of the State of Maryland, namely \$1,587,000 Certificates of Indebtedness, known as "General Bond Issue of 1939", offered for sale July 25, 1939, to be dated August 15, 1939, to be in coupon form in denomination of \$1,000, to bear interest at the rate of $1\frac{1}{2}$ per centum per annum, payable semi-annually February 15 and August 15, to mature without option of prior payment

- \$ 95,000 on August 15, 1942
- 99,000 on August 15, 1943
- 103,000 on August 15, 1944
- 107,000 on August 15, 1945
- 111,000 on August 15, 1946
- 116,000 on August 15, 1947
- 120,000 on August 15, 1948
- 125,000 on August 15, 1949
- 131,000 on August 15, 1950
- 136,000 on August 15, 1951
- 142,000 on August 15, 1952

\$148,000 on August 15, 1953
154,000 on August 15, 1954

and to be in all respects as warranted and described in the attached official notice of sale which is hereby made a part of this bid, we will pay \$1,587,915.70 equivalent to \$100.0577 for each \$100 par value of Certificates of Indebtedness, and accrued interest from the date of the Certificates to the date of delivery.

This bid is subject to our being furnished, without cost to us, at the time of, or prior to the delivery of the Certificates of Indebtedness, with the satisfactory unqualified opinions of the Attorney General of the State of Maryland and Marbury, Gosnell & Williams approving the legality of the issue; also with a copy of the record of proceedings and other certified papers examined by them.

As evidence of our good faith in bidding, we enclose herewith the required check in the amount of \$79,350.00, drawn to the order of the Treasurer of Maryland. It is understood that if we are the successful bidders for this issue, our check will be retained as partial payment of the total purchase price named herein, but if we are not the successful bidders, this check will be returned immediately.

This bid is for immediate acceptance.

Very truly yours,

Blyth & Co., Inc.,
Roosevelt & Weigold, Inc.,
Francis I. DuPont & Co.
Sherwood & Reichard,
Owen Daly & Co.
Gregory & Son, Incorporated

By: Owen Daly & Co.

BANKERS TRUST COMPANY
16 Wall Street
NEW YORK

July 25, 1939

The Honorable Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland

Sir:

For all but no part of the following described, legally issued, properly executed direct general obligations of the State of Maryland, namely \$1,587,000 "General Bond Issue of 1939" Certificates of Indebtedness, to bear interest at the rate of one and one-half per centum (1-1/2%) per annum, to be dated August 15, 1939, to mature as follows:

Series A	\$ 95,000.00	August 15, 1942
B	99,000.00	August 15, 1943
C	103,000.00	August 15, 1944
D	107,000.00	August 15, 1945
E	111,000.00	August 15, 1946
F	116,000.00	August 15, 1947
G	120,000.00	August 15, 1948
H	125,000.00	August 15, 1949
I	131,000.00	August 15, 1950
J	136,000.00	August 15, 1951
K	142,000.00	August 15, 1952
L	148,000.00	August 15, 1953
M	154,000.00	August 15, 1954

without option of prior payment, to be in coupon form in the denomination of \$1,000, registerable as to principal only, principal and semi-annual interest (February 15 and August 15) payable in Baltimore, Maryland, and as further described in official notice of sale signed, Herbert R. O'Connor, Governor; J. Millard Tawes, Comptroller of the Treasury and Hooper S. Miles, Treasurer.

We will pay the sum of \$1,615,391.43 or \$101.789 for each \$100 par value of certificates and accrued interest from date of the certificates to date of delivery to us.

This bid is made subject to our being furnished without expense to us, at time of delivery of these certificates, legal opinions of the Attorney General of the State of Maryland and Messrs. Marbury, Gosnell & Williams approving the validity of the certificates.

As evidence of our good faith in bidding, we enclose certified check in the amount of \$79,350 payable to the order of "The Treasurer of Maryland". If this proposal is accepted, this check is to be retained in part payment for the above mentioned \$1,587,000 Certificates of Indebtedness; otherwise it is to be returned immediately to our representative.

This bid is for immediate acceptance.

Very truly yours,

Bankers Trust Company
Glore Forgan & Co.
Union Securities Corp.
Robert Garrett & Sons
G.M.P. Murphy & Co.
BY: Bankers Trust Company
E.F. Dunstan
Vice President

EFD EE 4
Enc

SALOMON BROS. & HUTZLER
SIXTY WALL STREET
NEW YORK

July 24, 1939

PROPOSAL
FOR
GENERAL BOND ISSUE OF 1939

Mr. Hooper S. Miles
Treasurer of State of Maryland,
Annapolis, Maryland.

Dear Sir:

In accordance with your notice of sale, we will pay One million, six hundred eleven thousand seven hundred sixty dollars (\$1,611,760.) and accrued interest for \$1,587,000 State of Maryland, Certificates of Indebtedness known as "General Bond Issue of 1939" bearing interest at the rate of 1 1/2 per cent per annum, payable semi-annually February 15 and August 15, and maturing August 15, 1942 to August 15, 1954 inclusive.

We enclose certified check as required by your notice of sale.

Yours very truly,

SALOMON BROS. & HUTZLER
L.F. ROTHSCHILD & CO.,
F.S. MOSELEY & CO.,
ESTABROOK & CO.,

By: SALOMON BROS. & HUTZLER

MF:AB

HALSEY, STUART & CO., INC.

35 WALL STREET

NEW YORK

July 25, 1939

Hon. Hooper S. Miles, Treasurer,
State of Maryland
Annapolis, Maryland.

Dear Sir:

For One Million Five Hundred Eighty Seven Thousand Dollars (\$1,587,000) STATE OF MARYLAND CERTIFICATES OF INDEBTEDNESS known as "General Bond Issue of 1939", offered for sale Tuesday, July 25, 1939, at 12 o'clock noon, which Certificates represent legal and valid binding obligations of the State for the payment of which its full faith and credit are pledged, to be issued in coupon form in the denomination of \$1,000., registerable as to principal only, principal and semi-annual interest, February 15 and August 15, payable in Baltimore, Certificates to be dated August 15, 1939 and to mature August 15th without option of prior payment as follows:

\$ 95,000	1942		
99,000	1943	\$125,000	1949
103,000	1944	131,000	1950
107,000	1945	136,000	1951
111,000	1946	142,000	1952
116,000	1947	148,000	1953
120,000	1948	154,000	1954

and in all other respects as set forth in the official notice of sale, we bid Par and accrued interest to date of delivery plus a premium of \$24,566.70 for Certificates bearing interest at the rate of 1.50 per centum per annum.- 101.548

It is understood that the Certificates will be delivered to us accompanied by the unqualified approving opinion of the Attorney General of the State of Maryland and the opinion of Messrs. Marbury, Gosnell & Williams whose opinions will be furnished by the State.

We are enclosing herewith our good faith check in the amount of \$79,350 to be held by you pending the fulfillment of our contract if we are the successful bidder. If our bid is not successful, please return our check immediately.

Respectfully submitted,

HALSEY, STUART & CO. INC.
BLAIR & CO., INC.
LADENBURG, THALMANN & CO.
HEMPHILL, NOYES & CO.
ADAMS, MCENTEE & CO., INC.
B.J. VAN INGEN & CO., INC.
STERN BROTHERS & COMPANY

BY: HALSEY, STUART & CO., INC.
35 Wall Street, New York, N.Y.

HARRIMAN RIPLEY & CO.

63 WALL STREET
NEW YORK

July 25, 1939

Hon. Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland.

Dear Sir:

For all but no part of -

\$1,587,000 STATE OF MARYLAND, Certificates of Indebtedness -
"General Bond Issue of 1939"
Bearing interest at the rate of 1 1/2% per annum
Dated August 15, 1939

Maturing without option of prior payment August 15 as follows:

Series	Amounts	Maturities
A	\$ 95,000	1942
B	99,000	1943
C	103,000	1944
D	107,000	1945
E	111,000	1946
F	116,000	1947
G	120,000	1948
H	125,000	1949
I	131,000	1950
J	136,000	1951
K	142,000	1952
L	148,000	1953
M	154,000	1954

Coupon Certificates, \$1,000 denomination, registerable as to principal Principal and semi-annual interest (February 15 and August 15) payable in lawful money of the United States of America at Baltimore, Maryland This loan and the interest payable thereon is exempt from the Federal income tax and from state, county and municipal taxation in the State of Maryland.

we will pay 101.299% and accrued interest to date of delivery, which is equivalent to par and accrued interest plus a premium of \$20,615.13.

This bid is made with the understanding that prior to the delivery of the Certificates to us we will be furnished with a duplicate original copy of the unqualified opinion of the Attorney General of the State of Maryland, and of Messrs. Marbury, Gosnell & Williams to the effect that these Certificates of Indebtedness are legal and binding obligations of the State of Maryland, payable, principal and interest, from ad valorem taxes which may be levied against all of the taxable property therein, without limitation as to rate or amount.

In accordance with the Notice of Sale and our bid, we enclose certified check for \$79,350, being 5% of the par value of the amount of Certificates bid for, and would appreciate your returning this check, should the Certificates not be awarded to us.

Very truly yours,

HARRIMAN RIPLEY & CO., INCORPORATED
FIRST BOSTON CORPORATION
HARRIS TRUST & SAVINGS BANK

By:HARRIMAN RIPLEY & CO., INCORPORATED
(Joint Account Manager)

By: E.D. Smith
Vice-President

MS:CM
enc

FIRST NATIONAL BANK
BALTIMORE, MD.

July 25, 1939

The Honorable Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis,
Maryland

Dear Sir:

For certain Certificates of Indebtedness of the State of Maryland, namely, \$1,587,000 Certificates of Indebtedness Known as "General Bond Issue of 1939", more fully described in the attached advertisement, which is part of this proposal, we respectfully bid you

\$ 101.27
for each One Hundred Dollars par value, and accrued interest to the date of delivery, for all or none of the \$1,587,000 par value of Certificates, to bear

coupons for Interest at the rate of One and One-Half ($1\frac{1}{2}\%$) Per Centum per annum.

As evidence of good faith, we enclose herewith certified check in the amount of \$79,350.00, drawn to the order of the Treasurer of Maryland, being five per cent of the par value bid for.

Respectfully yours,

FIRST NATIONAL BANK OF THE CITY OF NEW YORK
R.W. PRESSPRICH & COMPANY, New York
MERCANTILE-COMMERCE BANK & TRUST COMPANY, St. Louis
FIRST NATIONAL BANK OF BALTIMORE

By: FIRST NATIONAL BANK OF BALTIMORE
J.W. McElroy
Vice President

CHEMICAL BANK & TRUST COMPANY
165 BROADWAY
NEW YORK

July 24, 1939

Mr. Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland

Dear Sir:

For all or none of the following described, legally issued, properly executed, general obligations of the State of Maryland, namely,

\$1,587,000 CERTIFICATES OF INDEBTEDNESS KNOWN AS
"GENERAL BOND ISSUE OF 1939"
Dated August 15, 1939

Series	Amounts	Maturities
"A"	\$ 95,000	August 15, 1942
"B"	99,000	August 15, 1943
"C"	103,000	August 15, 1944
"D"	107,000	August 15, 1945
"E"	111,000	August 15, 1946
"F"	116,000	August 15, 1947
"G"	120,000	August 15, 1948
"H"	125,000	August 15, 1949
"I"	131,000	August 15, 1950
"J"	136,000	August 15, 1951
"K"	142,000	August 15, 1952
"L"	148,000	August 15, 1953
"M"	154,000	August 15, 1954

to be in coupon form, in the denomination of \$1,000, subject to registration as to principal; principal and semi-annual interest (February 15th and August 15th) payable in Baltimore, Maryland, in lawful money, the successful bidder to be furnished with the unqualified approving opinions of the Attorney General of the State of Maryland and Messrs. Marbury, Gosnell & Williams, to the effect that these certificates of indebtedness are general obligations of the State of Maryland for which the full faith and credit of the State are pledged, all as set forth in the notice of sale attached hereto and made a part of this bid;

We will pay par (\$1,587,000) and accrued interest to delivery date, plus a premium of \$19,996.20 for the \$1,587,000 Certificates of Indebtedness bearing interest at the rate of $1\frac{1}{2}\%$.

As evidence of our good faith we are attaching hereto certified check for \$79,350 to the order of "Treasurer of Maryland", being the 5% deposit required; these funds to be retained by you as part payment of the purchase price in the event we are the successful bidder, otherwise to be returned forthwith.

Yours very truly,

CHEMICAL BANK & TRUST COMPANY
KEAN, TAYLOR & CO.
R.L. DAY & CO.
E.H. ROLLINS & SONS, INCORPORATED
By CHEMICAL BANK & TRUST COMPANY
E.C. Williams,
Assistant Vice President

ECW:MJ

LAZARD FRERES & CO.
NEW YORK

120 BROADWAY
July 25, 1939

Mr. Hooper S. Miles,
Treasurer of the State of Maryland
Annapolis, Maryland

Dear Sir:

We offer to purchase subject to the provisions of the official notice of sale, which notice is hereby made a part of this bid, \$1,587,000 Certificates of Indebtedness of the State of Maryland, known as "General Bond Issue of 1939", bearing interest at the rate of $1\frac{1}{2}$ per centum per annum and maturing serially from August 15, 1942 to August 15, 1954, both inclusive, as set out in the above mentioned official notice of sale.

For all but no part of the above described Certificates of Indebtedness, we will pay One million, six hundred five thousand, nine hundred ninety-six and 39/100 Dollars (\$1,605,996.39).

Prior to delivery and payment of the same, you are to furnish us with the approving opinion of the Attorney General of the State of Maryland and the opinion of Messrs. Marbury, Gosnell & Williams, certifying that said Certificates of Indebtedness have been legally issued and constitute general and valid binding obligations of the State of Maryland.

We are enclosing a duly certified check payable to the order of the Treasurer of Maryland, in the sum of \$79,350, which check is to be returned to us if this bid is not accepted, otherwise to be held by the State of Maryland until delivery of the Certificates of Indebtedness and to be retained as and for liquidated damages in case we fail to take up and pay for said Certificates of Indebtedness, in accordance with the terms of this bid.

Very truly yours,
per pro. LAZARD FRERES & CO.
Randolph P. Compton

Representing:
Lazard Freres & Co.
Lehman Brothers
C.F. Childs and Company
Washburn & Company, Inc.
Equitable Securities Corporation
J.N. Hynson & Co., Inc.
Edward Lowber Stokes & Co.
Charles Clark & Co.
F.W. Craigie & Co.
rpc;jc

MACKUBIN, LEGG & COMPANY
REDWOOD AND SOUTH STS.
BALTIMORE

TUESDAY
July 25, 1939

Treasurer of the State of Maryland
Annapolis, Maryland

Dear Sir:

Referring to your request for sealed bids for

\$1,587,000 Certificates of Indebtedness known as
"General Bond Issue of 1939"

to be dated August 15th, 1939, and due serially August 15th 1942 to 1954 inclusive, more particularly described in the attached advertisement:

For all, but not for any part thereof, bearing interest at the rate of $1\frac{1}{2}$ % per annum, we hereby offer to pay you 100.971 and accrued interest from date of bonds to date of delivery for each \$100. par value thereof.

This bid is made with the understanding that the bonds are the direct obligations of the State of Maryland, the full faith, credit and taxing power of which is

pledged for the payment of both principal and interest and that the bonds are legally and validly issued and sold.

As evidence of good faith, we enclose certified check for \$79,350, this check to be used in part payment of the bonds in case our bid is accepted; otherwise to be returned to us promptly.

Very truly yours,

PHELPS, FENN & COMPANY
STONE & WEBSTER AND BLODGET, INC.
THE BOATMEN'S NATIONAL BANK
CHARLES K. MORRIS & CO., INC.
MACKUBIN, LEGG & COMPANY

Check Enclosed

Per MACKUBIN, LEGG & COMPANY

MERCANTILE TRUST COMPANY
OF BALTIMORE

July 25, 1939

Hon. Hooper S. Miles, Treasurer,
State of Maryland,
Annapolis, Maryland.

Dear Sir:

For all but no part of the following described legally issued, properly executed, direct general obligation of the State of Maryland, namely \$1,587,000. Certificates of Indebtedness known as "General Bond Issue of 1939" to be dated August 15, 1939 and maturing August 15, 1942 to August 15, 1954 inclusive, without option of prior payment, to be in coupon form in the denomination of \$1,000., registerable as to principal only, semi-annual interest payable February 15 and August 15, and as further described in official notice of sale signed Herbert R. O'Connor, Governor, J. Millard Tawes, Comptroller of the Treasury and Hooper S. Miles, Treasurer, we bid the sum of \$100.8499 for each \$100. Certificate to date of delivery thereof, for bonds bearing $1\frac{1}{2}\%$ interest.

It is understood that we shall be furnished, without expense to us, at time of or prior to the delivery of these certificates, satisfactory legal opinion of the Attorney-General of the State of Maryland, approving the validity of the certificates, together with certified papers examined by him, also the approving opinion of Messrs. Marbury, Gosnell & Williams, attorneys of Baltimore, Maryland.

As evidence of our good faith in bidding, we enclose certified check in amount of \$79,350.00 payable to the order of the Treasurer of Maryland. If this proposal is accepted, this check is to be retained as part payment for the above \$1,587,000. Certificates, otherwise it is to be returned immediately to us.

This bid is made for immediate acceptance.

Yours very truly,

Mercantile Trust Company of Baltimore,
Kidder, Peabody & Co., New York, N.Y.
The Northern Trust Co., Chicago, Ill.
Baker, Watts & Co., Baltimore
Stein Bros. & Boyce, Baltimore
Robinson, Miller & Co., Inc., New York

BY: MERCANTILE TRUST COMPANY OF BALTIMORE

J.R. Crunkleton,
Secretary

JRC/S

ORIGINAL

ALEX. BROWN & SONS
BALTIMORE, MARYLAND

July 25, 1939

Honorable Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir:

For all but no part of \$1,587,000 STATE OF MARYLAND 1 1/2% CERTIFICATES OF INDEBTEDNESS KNOWN AS "GENERAL BOND ISSUE OF 1939," to be dated August 15, 1939, maturing serially August 15, 1942 to August 15, 1954, inclusive, without option of prior payment, as described in the attached notice of sale, which is hereby made a part of our bid, we will pay \$100.019 and accrued interest to date of delivery for each \$100. principal amount thereof.

The above Certificates of Indebtedness are to be legal and valid binding general obligations of the State of Maryland, the State agreeing to furnish the opinion of the Attorney General of Maryland and the opinion of Marbury, Gosnell & Williams, showing same prior to delivery.

We enclose our certified check for \$79,350, drawn to the order of the Treasurer of Maryland, as a deposit in accordance with the terms of our bid which we would ask to have returned promptly to our representative incase the Certificates of Indebtedness are not awarded to us.

Very truly yours,

ALEX. BROWN & SONS
THE CHASE NATIONAL BANK OF THE CITY
OF NEW YORK

ENC.

BY: ALEX. BROWN & SONS

MONUMENTAL LIFE INSURANCE COMPANY

BALTIMORE, MD.

July 25, 1939

Honorable Hooper S. Miles,
Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

We submit herewith our Bid for \$1,587,000.00 par value Certificates of Indebtedness of the State of Maryland known as "General Bond Issue of 1939". Said Certificates of Indebtedness are to be dated August 15, 1939 and are to mature as follows:

<u>Series</u>	<u>Amount</u>	<u>Redeemable</u>
"A"	\$ 95,000.00	August 15, 1942
"B"	99,000.00	August 15, 1943
"C"	103,000.00	August 15, 1944
"D"	107,000.00	August 15, 1945
"E"	111,000.00	August 15, 1946
"F"	116,000.00	August 15, 1947
"G"	120,000.00	August 15, 1948
"H"	125,000.00	August 15, 1949
"I"	131,000.00	August 15, 1950
"J"	136,000.00	August 15, 1951
"K"	142,000.00	August 15, 1952
"L"	148,000.00	August 15, 1953
"M"	154,000.00	August 15, 1954

The said Certificates of Indebtedness will be of the denomination of \$1,000.00 each subject to registration as to principal and will be issued with coupons attached at the rate of 1 3/4% per annum.

We bid for the whole \$1,587,000.00 par value of this issue (but for no fractional part thereof) the sum of \$1,614,818.20 which is at the rate of \$101.7529 per \$100.00 of par value.

Our certified check for \$79,350.00, being 5% of par value required as a deposit, is attached hereto. If this bid is accepted the balance of the purchase price plus accrued interest, if any, will be paid upon delivery of the Certificates of Indebtedness.

It is understood that the bonds when issued will be the legal and valid obligations of the State of Maryland in accordance with the opinion of the Attorney General of Maryland and the written opinion of Marbury, Gosnell and Williams.

Yours very truly,

F.H. LOWEREE
Secretary

Upon motion duly seconded the bid of Blyth & Co., Inc., and Associates was accepted and the bonds awarded to those bidders. *Amrad*

Mr. William L. Rawls, of Marbury, Gosnell & Williams, submitted to the Board a tentative opinion as to the validity of the August 15, 1939 installment of the General Bond Issue of 1939. The opinion recites that the bonds or Certificates of Indebtedness, in the amount of \$1,587,000.00, as advertised, will be, when issued, valid and lawful obligations of the State of Maryland, and that the State of Maryland will be obligated to pay, when due, both the principal and the interest thereon. A final opinion will be rendered at the time of the delivery of the bonds to the purchasers.

Mr. Kirkman submitted to the Board a letter dated June 17, 1939, reviewing the budget prepared by the Department of Public Welfare, for the fiscal years 1940 and 1941. The Board went over the budget carefully and approved the allotments for Old Age Assistance, Aid to Dependent Children, Aid to the Needy Blind and General Public Assistance. Approval to the allotment for Administration was withheld pending a further study to be made by Mr. Kirkman as to the provision made in the Budget submitted for automatic increases in salaries of employees.

7/25/39

Mr. Kirkman took up with the Board the matter of Workmen's Compensation Insurance, covering members of the Maryland National Guard. General Reckord arranged for the coverage by the State Accident Fund, but no provision was made as to payment of premium on the policy. The Board was of the opinion that the expenses of the insurance should be borne by the Military Department out of its budget. It was suggested that the insurance premium might be paid out of the appropriation to the Maryland Veterans' Commission, but no action in this direction was taken.

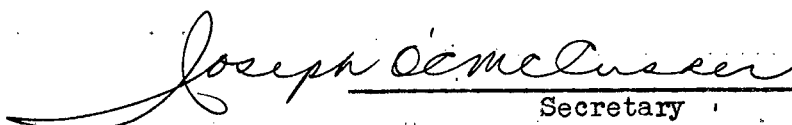
The Board approved a budget amendment for Spring Grove State Hospital, dated July 20, 1939, showing increases and decreases in the amount of \$7,271.18. The amendment was recommended by Mr. Kirkman.

The appropriation to the Military Department of \$200,000.00, for the acquisition of the necessary sites, and the erection thereon of a Naval Militia Armory and hangars, for the Maryland National Guard, out of the issue of February 15, 1940, was discussed. It was stated that the Military Department is able to obtain a lease on some ground at the Baltimore Airport, for which no

rental would be charged, which would be available for the hangars to be constructed, and that there is available on Key Highway, Baltimore, for the Naval Militia Armory, a lot of ground which will be deeded to the City, with the City assuming the ground rent on the property.

The Board is anxious to obtain more information in connection with these projects, and the Secretary was requested to obtain from General Reckord, the additional information. Some question was raised as to the right of the State to erect buildings on land not owned by the State, and the opinion of the Attorney General on this point is to be requested.

There being no further business the meeting adjourned.


Secretary